



DIVISION OF REHABILITATION FOR THE BLIND

100 WEST 7TH AVE.
DENVER, COLORADO

KEYSTONE 4-7144

Report of
THE COLORADO DIVISION OF REHABILITATION FOR THE BLIND
to

His Excellency, Governor Stephen L. R. McNichols
and
The Members of the 42nd Colorado General Assembly

It is with a great deal of pleasure and satisfaction that we call to your attention the fact that this Agency is in the best financial condition that it has enjoyed since its establishment over 20 years ago. Particularly are we proud of this fact because, as you may remember, our appropriation for the purchasing of raw materials for the Workshop was decreased \$25,000 at the last session of the Legislature.

By finding more and better markets for our manufactured products, and by working in close co-operation with Mr. Lacy L. Wilkinson, State Purchasing Agent, and the members of his staff in the purchase of raw materials we have been able to offset this decrease in our appropriation. Our present financial condition is set forth accurately and in exact figures in various exhibits in the latter part of this report.

At this point we wish to express our appreciation and thanks to Hon. Earl Ewing, State Auditor; Mary Small, Deputy State Auditor, and Mr. Robert K. Jennings, Accountant in the State Auditor's Office, for their co-operation, assistance and verification of our books and records. In addition, we wish to express our thanks to Mr. Jennings for assisting in the preparation of the financial report and verifying the figures contained herein, which was done on his own time.

Despite the recession in business during 1958 we have kept our sheltered workshop in full production during this entire period, and have been able to pay our blind workers wages higher than those paid by most shops of this type. And we are pleased to add that our manufactured goods were given a No. 1 rating by the U.S. Army Inspectors, the General Service Administration Inspectors, and Mr. Eugene Morgret, Assistant General Manager of the National Industries for the Blind.

We were honored by a personal inspection by Major General McNamara, The Quartermaster General of the U.S. Army, who complimented us on our workshop and on our products.

The Vending Stand Program is one of our best means of assisting blind people to economic independence in the rehabilitation program. For the fiscal year 1957-58 Colorado ranked fourth in the nation in average net proceeds to operators, being surpassed only by the District of Columbia, Maryland and California. The District of Columbia and the State of Maryland have numerous Federal Buildings in which vending stands are located. It is to be noted that the earnings of the operators in California averaged only \$1.02 per week greater than the earnings of the Colorado operators.

The average earnings of the Colorado operators exceeded the national average by \$1418.79 per operator. However, these earnings were not equally divided and a study has been made to determine how to increase the earnings of the smaller operator and to make the earnings more equitable. We hope to put this plan in effect shortly.

Although no new stands were built in 1958, two new stands to be added in 1959 will be the finest equipped in the U.S.; one at the new State Services Building in Denver and the other at the State Hospital in Pueblo. At this time we wish to thank Dr. F. H. Zimmerman, Superintendent, State Hospital at Pueblo, and Mr. Dowling, his business manager, for their efforts and time spent on the plans for this new stand.

Our thanks are also due to Mr. W. M. Williams, Director of the State Planning Division, and Mr. Otto H. Hall, Chief Engineer of Public Works Section, for the interest and time they have spent on the plans for the vending stand in the State Services Building.

During the calendar year of 1958 the vending stands were repaired, remodeled and re-equipped. \$10,011.45 was spent on new equipment, of which the Federal contribution was \$7249.26 and the State's \$2762.19. \$1330.05 was spent for replacement equipment; the Federal contribution was \$727.20 and the State's \$602.85. \$2907.02 was spent on repairs and remodelling of stands, of which the Federal share was \$1073.34 and the State's share \$1833.68.

The Division received a commendation from the Sanitary Engineering Corps of the Department of Health, Education and Welfare for the modern equipment installed in our various vending stands, and for the precautions we have taken to increase the sanitation of these stands. Our vending stands rank among the best and finest equipped group of blind vending stands in the U.S.A.

The press throughout the past year has given this Division a great deal of publicity. This publicity has informed the general public as well as different organizations regarding the benefits, work and accomplishments of this Division. Dissemination of this information has resulted in a great increase of referrals throughout the entire State of Colorado, and thus we have been able to give help to blind citizens who otherwise would not have known of our service and whom we would not have been able to contact.

The so-called Howard Fund, which is made up of donations by private citizens for the purpose of assisting and helping the blind better themselves, had been dormant and unused by this Division for many years. However, during the past year practically all of the accumulated income from this fund, amounting to approximately \$20,000, has been used for the purpose intended by its donors.

Upon learning of the various needs for educational and recreational equipment by blind persons in the State Home and Training Schools at Wheat Ridge and Grand Junction, the State Hospital at Pueblo, Colorado School for the Deaf and the Blind at

Colorado Springs, and in the Denver Public School System, the Director of this Division conferred with Governor McNichols. The Governor, upon learning of these needs and the availability of the income of the Howard Fund enthusiastically approved and ordered the use of this money for these purposes.

Governor McNichols is an ardent and enthusiastic supporter of the Blind Rehabilitation Program and has instructed this Division to do everything in its power to help the blind.

The Home Industry Program has been able to help the homebound blind by keeping them busy making various articles in their homes. These people who are too severely disabled to do anything outside of their homes are through this program able to earn up to \$50.00 per month in addition to their Aid to Blind Grant. The articles manufactured or assembled by the Home Industry Workers are sold "door to door" by the blind salesmen, who are independent operators. Approximately 15 of these blind salesmen are currently operating. The success of this program has been noted by various blind agencies throughout the country, and on January 12th the Commission for the Blind of the State of Texas are sending two of their staff to study this program with the idea of installing same in the State of Texas.

The chief aim of the Rehabilitation Program is to prepare blind persons for professions or jobs in keeping with their own particular talents or abilities. When an individually tailored rehabilitation program which may include physical restoration procedures, training and other related services has been completed every effort is made to place the trainee in a suitable occupation. The Division tries, whenever possible, to utilize the full capacities of our blind trainees by seeing that they become as skilled as their capacities will allow. The ultimate employment goal is regular, full time work for a salary in private industry. For those who are too handicapped or otherwise unable to compete in the usual labor market, we utilize other means to provide less competitive employment.

The Rehabilitation Division has as its goal to make the blind self-supporting, independent, useful members of their communities and taxpayers. As time goes on more and more blind persons receive the benefits of the program and their placement in professions or jobs becomes easier as the public is better acquainted with the program. In many instances blind persons can do a particular job as well or better than a person with vision.

In 1958 the Division of Rehabilitation utilized many and varied training facilities in its work of making taxpayers out of potential tax users. The training institutions were centered mainly in Colorado, although some out-of-state institutions were called upon for specialized training or service. In this greatly expanded program we had 17 students attending colleges and universities both in Colorado and other states. In summary:

Colorado -	Colorado State University	2
	Colorado State College of Education	3
	Colorado College	1
	Denver University	3
	Iliff School of Theology	1
	Conservative Baptist Seminary	1
California -	San Francisco State College	4
Kansas -	Kansas University	1
Arkansas -	John Brown University	1
	Total	<u>17</u>

It is a well known fact that interests, abilities, personality and so forth vary from person to person. Consequently, not all persons coming into the program find their vocational objectives in college.

In order to show what has been done with this second group of clients during the year a summary follows giving the number of trainees, type of training, the home of the client and the location of the training facility:

<u>Type of Training</u>	<u>Counties from which Trainees were accepted</u>	<u>Place of Training</u>	<u>No. of Trainees</u>
Piano Tuning	Denver and Bent	Vancouver, Wash.	2
Auto Mechanics	Mesa	Kansas City, Mo.	1
Adjustment Training	Denver	Chicago Lighthouse for the Blind	1
Vending Stand Training	Pueblo, Denver, Weld, Park, Adams, Jefferson,	Pueblo and Denver	7
Business College	Clear Creek, Park, Denver	Denver	5
Sheltered Workshop	La Plata, Jefferson, Denver, Weld, Moffat, Summit	Denver	9
Opportunity School	Denver	Denver	1
Public High School	(Completed high school requirements and graduated) Jefferson	Jefferson	1
	(Provided Reader Service)		

Unfortunately, not all persons complete their training or become employed. The reasons are varied and will not be discussed here. At the present time we have 124 cases on our active case load. The case load represents 38 counties.

During 1958, we were able to rehabilitate 35 persons, 18 of whom came from Denver County, two each from Arapahoe, Jefferson, and Adams; one each from Conejos, Custer, Summit, Park, Boulder, Mesa, Weld, Las Animas, Bent, Moffat and La Plata.

In summary then, these rehabilitants are employed in the following fields of endeavor:

Auto Mechanic	1
Darkroom Man	1
Foundry Worker	1
Fur Farmer	1
Furnace Installer	1
Housewives	2
Janitors	3
Kitchen Worker	1
Machine Operator	1
Nurse Aide	1
Physio Therapist Aide	1
Piano Tuners	2
Salesmen	3
Sewing Machine Operators	2
Sheltered Workshop	6
Stock Clerk	2
Telephone Answering Service ...	1
Vending Stand Operators	3
Vending Stand Operator's Helper	2
Total	35

The recent recession had its effect on this agency, as well as on other agencies throughout the country, in the placement of blind clients in private industry.

At the present time it is very apparent that this Agency has gained the confidence of the press, civic and religious groups and the general public throughout the State of Colorado. This was not true, in past years, as you may well remember.

Once again I would like to emphasize that the gradual change in economic conditions and in particular the diminishing demand for brooms is making it necessary, that a thorough study of our workshop be made so that it can be remodeled in keeping with the trend of changing conditions. By so doing we will always be able to employ the marginal workers who cannot be placed in private industry and for whom sheltered workshops must be maintained.

The Division of Rehabilitation, indeed, the entire State of Colorado, owes a debt of gratitude to the many who have co-operated with our program. They include the General Services Administration, City and County of Denver, Union Pacific Railroad, United Air Lines, the Martin Company, Colorado General Hospital, General Rose Hospital, Bowman Biscuit Company, Sundstrand, Stanley Aviation, the Denver Manager of Safety and Excise, Chief of Police and his entire department, the various county commissioners throughout Colorado, and the elected officials of the State of Colorado and their staffs.

The entire staff of the various departments of Region VIII, Department of Health, Education and Welfare have co-operated to the fullest extent with this Division, and their counselling and help is greatly appreciated.

The program of the Division of Rehabilitation for the Blind, which is a component of the Executive Department, could not have been so successful or established on such a sound basis, without the wholehearted support and sincere co-operation of His Excellency, Governor Stephen L. R. McNichols. The Chief Executive has consistently assisted this program in every possible way, and has repeatedly inquired concerning its numerous activities and progress.

This report has been prepared and is respectfully submitted by

Herman Kline, Director

Division of Rehabilitation
for the Blind

EXHIBIT A

DIVISION OF REHABILITATION FOR THE BLIND

Workshop and Home Industries

Balance Sheet

	<u>June 30</u> 1958	<u>December 31</u> 1958
<u>ASSETS</u>		
<u>Current</u>		
Cash:		
Change Fund	10.00	10.00
Revolving Fund	1,000.00	1,000.00
State Treasurer - Operating Cash Fund	84,559.30	89,352.33
State Treasurer - Howard Trust Fund	21,225.67	17,672.07
Total Available Cash	<u>106,794.97</u>	<u>108,034.40</u>
 Unexpended General Fund Appropriation	 ---	 17,581.53
Accounts Receivable - Trade	12,166.90	17,103.72
Inventory - Raw Material, Finished Goods and Manufacturing Supplies	<u>89,459.13</u>	<u>81,225.85</u>
Total Current Assets	208,421.00	223,945.50
 Trust Fund Assets:		
Corporate Stock - Howard Trust Fund	29,530.00	29,530.00
Fixed Assets		
Land, Buildings, Furniture and Equipment	<u>133,433.26</u>	<u>133,383.26</u>
Total Assets	<u><u>371,384.26</u></u>	<u><u>386,858.76</u></u>
 <u>LIABILITIES AND SURPLUS</u>		
<u>Current</u>		
Sales Tax Payable	24.22	11.18
Accrued Payroll	1,985.68	2,150.74
Total Current Liabilities	<u>2,009.90</u>	<u>2,161.92</u>
 <u>Surplus:</u>		
Surplus invested in Land, Buildings	122,307.54	122,307.54
Surplus Advanced From General Fund (1954)	23,375.00	23,375.00
Howard Trust Fund Surplus	50,755.67	47,152.07
Operating Surplus	<u>172,936.15</u>	<u>191,862.23</u>
Total Surplus	<u>369,374.36</u>	<u>384,696.84</u>
Total Liabilities and Surplus	<u><u>371,384.26</u></u>	<u><u>386,858.76</u></u>

EXHIBIT B
WORKSHOP AND HOME INDUSTRY
Profit and Loss

	12 months July 1, 1957 to June 30, 1958	6 months July 1, 1958 to December 31, 1958
Sales	238,659.18	115,419.32
Cost of Sales	<u>223,153.55</u>	<u>108,525.04</u>
Gross Profit	15,505.63	6,894.28
Expenses:		
Manufacturing Overhead	22,746.42	10,907.59
Selling Expenses	4,940.36	1,423.82
Administrative Expenses	<u>19,484.76</u>	<u>13,085.64</u>
Total Expenses	<u>47,171.54</u>	<u>25,417.05</u>
Operating Loss	-(31,665.91)	-(18,522.77)
Add: Other Non Operating Income		
Rents, Refunds and Donations	4,287.99	936.67
Funds used from Howard Trust Fund	<u>642.69</u>	<u>4,698.18</u>
Net Loss from Operations	-(26,735.23)	-(12,887.92)
Add: General Fund Appropriation - Expended	<u>54,982.97</u>	<u>14,232.47</u>
Net Increase to Operating Surplus	<u><u>28,247.74</u></u>	<u><u>1,344.55</u></u>

EXHIBIT C
TRUST FUND

Dividend Received	2,432.47	1,094.58
Less: Expenditures for Workshop Operations	<u>642.69</u>	<u>4,698.18</u>
Net Increase To Trust Fund Surplus	<u><u>1,789.78</u></u>	<u><u>-(3,603.60)</u></u>

Securities Held By Trust Fund

Description	Number of Shares	Book Value	Market Value June 30, 1958	Net Increase
Keystone Custodian Fund S-2	246	1,954.00	2,774.88	
Ideal Cement Company	525	13,000.00	34,650.00	
Potash Company of America	255	8,375.00	8,797.50	
Colorado Milling and Elevator	174	2,523.00	3,654.00	
Gardner-Denver Company	100	1,374.00	4,150.00	
Bank of America	64	<u>2,304.00</u>	<u>2,416.00</u>	
	<u>1,364</u>	<u>29,530.00</u>	<u>56,442.38</u>	<u>26,912.38</u>

EXHIBIT D

VENDING STAND DIVISION

Balance Sheet

	<u>June 30</u> <u>1958</u>	<u>December 1</u> <u>1958</u>
<u>ASSETS</u>		
Current:		
Cash on Hand	399.47	---
Guaranty Bank and Trust Co.	13,125.66	4,527.82
State Treasurer	23,827.51	32,671.19
Cash Advance To Stand Operators	1,565.00	1,565.00
Total Cash Available	38,917.64	38,764.01
Reimbursable Expenses	---	37.92
Cash Advanced For:		
Merchandise - Initial Inventory all Stands	11,278.02	11,278.02
Furniture and Equipment - Stands	88,212.17	93,077.75
Fixed Assets:		
Furniture Fixtures - Office	1,349.48	1,349.48
Union Pacific Building	2,718.53	2,718.53
	<u>142,475.84</u>	<u>147,225.71</u>
<u>LIABILITIES AND SURPLUS</u>		
Sales Tax Payable	1,583.02	643.71
Federal Withholding Taxes Payable	2,566.60	813.20
State Withholding Taxes Payable	102.99	71.33
State Retirement Payable	175.95	213.36
Insurance Premiums Payable	23.52	---
Total Liabilities	4,452.08	1,741.60
Surplus:		
Federal Grant in Aid	57,425.08	59,526.79
Surplus from Operations	80,598.68	85,957.32
	<u>142,475.84</u>	<u>147,225.71</u>

EXHIBIT E

VENDING STANDS

	12 Months July 1, 1957 to June 30, 1958		5 Months July 1, 1958 to December 1, 1958	
Gross Stand Receipts		587,418.00		244,422.36
Gross Collections - Vending Machines		<u>11,985.48</u>		<u>5,299.52</u>
		599,403.48		249,721.88
Less Cost of Goods Purchased	405,843.80		165,951.11	
Sales Tax	<u>9,472.57</u>	<u>415,316.37</u>	<u>3,994.78</u>	<u>169,945.89</u>
		184,087.11		79,775.99
Less Salaries and Wages				
Wages Paid to Stand Employees	30,497.70		15,911.59	
Payments to Stand Operators	<u>128,763.31</u>	<u>159,261.01</u>	<u>53,126.44</u>	<u>69,038.03</u>
Income to State for Period		24,826.10		10,737.96
Add Other Income:				
(Sales Tax, Commissions, etc.)		<u>474.02</u>		<u>369.87</u>
Less Expenditures Vending Stand Division		<u>9,786.41</u>		<u>5,749.19</u>
Net Increase to Surplus		<u><u>15,513.71</u></u>		<u><u>5,358.64</u></u>

Note: This schedule covers the 5-month period, July 1, 1958 to December 1, 1958, due to the out-of-city vending stands being unable to report sales and expenses in time.

EXHIBIT F

REHABILITATION DIVISION

July 1, 1957 to June 30, 1958

Federal Grant		58,642.59
State Appropriation 1957-1958		<u>27,000.00</u>
Total Available		85,642.59
Less: Expenditures		- <u>68,156.93</u>
		17,485.66
Less: Unexpended balance of		
Appropriation reverted to General Fund		- <u>107.14</u>
		17,378.52
Add Cash Balance July 1, 1957		<u>23,443.40</u>
Cash Balance Available for 1958-1959		40,821.92
Federal Grants to December 31, 1958		35,000.00
State Appropriation 1958-1959		<u>27,000.00</u>
		102,821.92
Expenditures		- <u>29,491.92</u>
Cash Balance December 31, 1958	53,384.56	
Appropriation Balance December 31, 1958	<u>19,945.44</u>	
		<u><u>73,330.00</u></u>

EXHIBIT G

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

Region VIII
Room 551
621 Seventeenth Street
Denver 2, Colorado

VR:VIII
November 28, 1958

Mr. Herman Kline, Director
Division of Rehabilitation for the Blind
100 West Seventh Avenue
Denver 4, Colorado

Dear Mr. Kline:

Confirming our telephone conversation this morning, we are sending you the information which you requested on November 21 and which was received from Mr. Rives in our Washington Office today.

The combined annual report shows 1,901 vending stands, with average net proceeds to all operators of \$2,614.00. The average net proceeds for the Colorado Division of Rehabilitation for the Blind amount to \$4,032.79.

In Fiscal Year 1958, the Colorado Division of Rehabilitation for the Blind ranked fourth in average net proceeds to operators. States ranking above Colorado are the District of Columbia--\$4,970.25, Maryland--\$4,380.00, and California--\$4,086.00.

All of these figures are final for Fiscal Year 1958, and it is hoped that the usual summary of combined annual reports can be distributed in the near future.

Sincerely yours,

(Signed)

Vlad F. Ratay

Vlad F. Ratay
Regional Representative

